

Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company
2006-08 Residential Lighting Incentive Program
Manufacturer Component
Fact Sheet

Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company, California Investor Owned Utilities (“Utilities”) are pleased to announce the Manufacturer Component of the 2006-08 Residential Lighting Incentive Program (the “Program”). We are pleased to invite you to qualify for participation in the Program.

Program Concept

The Program is designed to incorporate a manufacturer’s wholesale buy-down of certain lighting products by reducing the wholesale price to qualifying retailers in the applicable Utility’s service territory. The qualifying retailers pass the discount on to end-use customers. After the Utility approves the manufacturer and its selected retailer(s) for participation in the Program and manufacturer satisfies all its obligations under the Residential Lighting Incentive Program Manufacturer Component Participation Agreement (the “Agreement”), the manufacturer will be eligible for reimbursement of the discount, as provided for in the Agreement. This Agreement is designed to remain in effect for the 2006-08 program term. If your company has already signed the Agreement as part of the 2006 Program, there is no need to sign it again. For manufacturers that have not previously signed the Agreement a copy will be sent upon request along with submission instructions. Presently the Utilities will allocate incentives for only the 2007 promotion period which runs from November 1, 2006 through October 31, 2007.

Incentive Levels

Below is a list of various lighting products that may be eligible for this discount, which are calculated as an incentive per unit:

Product Type (ENERGY STAR® Labeled and Qualified)	Incentive Per Unit	Product Type (See Qualifications)	Incentive Per Unit
CFL Screw-in – 1 to 799 Lumens	\$1	Table, Desk, or Floor Lamp	\$5
CFL Screw-in – 800 to 1,099 Lumens	\$1.25	LED Night Light	\$1.25
CFL Screw-in – 1,100 to 1,599 Lumens	\$1.75	LED Address Sign	\$5
CFL Screw-in – 1,600 Lumens and Greater	\$2.00	LED Holiday Lights Per LED	2¢
Specialty or High Performance CFL* – Incentive Above plus:	\$1.50	LED Task or Accent Light	\$1
Interior Hardwired Fluorescent Fixture - < 1,100 Lumens	\$5	Metal Halide Fixture	\$10
Interior Hardwired Fluorescent Fixture - 1,100 Lumens or >	\$10	Exterior Motion Controlled -	
Exterior Hardwired CFL Fixture - < 1,100 Lumens	\$5	Incandescent Fixture	\$5
Exterior Hardwired CFL Fixture – 1,100 Lumens or >	\$10	Fluorescent Fixture	\$10
Torchiere Floor Lamp	\$10	Lighting Occupancy Switch	\$3

* The \$1.50 incentive for specialty or high performance CFLs is added to the standard incentive for the product. For example, a globe-type screw-in CFL producing less than 800 lumens would equal the standard CFL incentive of \$1 plus the \$1.50 specialty bulb adder. These \$1.50 incentive adders are limited in quantity, and those limits may vary from one California Investor-Owned Utility to another. You may contact the applicable utility program manager for details specific to the utility.

Each Utility may offer incentives on additional emerging lighting products, for example, fluorescent or xenon address signs with photo sensors (\$5), LED interior room lights (\$5), LED exterior area lights with motion sensors (\$10), neon, fluorescent, or electroluminescent night lights (\$2), or cold cathode products (\$2 to \$5).

Each Utility will entertain proposals by manufacturers to apply to any eligible product a per-unit incentive that is less than the applicable incentive or adder cited above. For example, if the manufacturer wishes to apply a \$1.50 discount to all 1,600 Lumen screw-in CFLs for a retailer instead of the published \$2.00, the Utility will allocate and reimburse at the \$1.50 level. Prioritization of allocations by Utility program managers may be based in part on the per-unit incentive amount proposed.

Manufacturer’s Activities

Each Utility may grant allocations after the manufacturer submits an executed Agreement, and then for a particular retailer or chain submits the documents listed below:

- A signed Reservation Request Form (a form requesting a specific amount of products and the proposed incentives for each product)
- Proof of retailer commitment to products, quantities, and months (such as in a purchase order or letter of commitment)
- A hard copy of the Product Type/Incentive Level Worksheet (a form detailing the specific product quantities by month)
- An electronic copy of the Product Type/Incentive Level Worksheet (via email).

The Utility will approve, modify or deny the reservation request and send the manufacturer a form indicating such. If the Utility notifies the manufacturer that its request has been approved (or approved as modified), then the manufacturer will sign the Notification of Allocations form, obtain the retailer's signature and return it to the Utility. Upon subsequent confirmation of allocations by the Utility via email, the manufacturer may begin to participate in the Program.

A brief summary of the implementation of the Program follows. More detail is provided in the Agreement upon qualification.

After receiving the Utility's approval of the first reservation, the manufacturer is considered an active participant in the Program and may begin shipping products according to the approval granted. During participation, the Utility will provide the manufacturer with utility-designed stickers that manufacturer will affix to its lighting products before they are shipped to retailers. The manufacturer may at its option and cost, print the stickers on product packaging using Utility-provided artwork in the dimensions stipulated by the Utility. In addition, other promotional and advertising activity by the manufacturer may be required or specified by the Utility.

After the manufacturer has shipped the approved products to the retailer, then the manufacturer shall invoice the Utility for reimbursement up to the amount of the approved reservation for reimbursement. Each invoice (showing sale by the manufacturer to the retailer with the discount agreed upon) must be accompanied by certain other substantiating documentation in order to qualify for reimbursement. For example, the manufacturer will provide its invoice for reimbursement to the Utility (original), a photocopy of the manufacturer-to-retailer invoice, the proof-of-delivery document(s), a completed data template form (a blank version to be provided by the Utility), the Explanation of Equivalencies Form (also provided by the Utility), a status report detailing when shipment update reports were sent to the Utility, and photos of displays and signage. If the product is not shipped directly to a retailer, such as when the retailer picks up product at the manufacturer's facility, other documentation may also be required. During the course of the Program, participating manufacturers will have certain disclosure and reporting obligations to the Utility as well as responsibility for submittal of the Utility -provided forms and maintenance of all records required to substantiate any requested discount.

Web/Catalog/Phone Sales

The Program will allow manufacturers to submit reservation requests for qualifying lighting products that manufacturer's selected retailers sell to Utility customers through internet sites, catalogs, and/or phone orders. The retail sales company must be able to identify customers as Utility customers as a condition for customers to receive Program-provided discounts. Retailers must substantiate that ability prior to participation approval. As a result, a manufacturer that proposes to participate in the Web/Catalog/Phone Sales program component will need active retailer cooperation.

Retailer Component

Under the retailer component, the Utility offers some retailers a Point of Sale Discount Program for the same lighting products as in the manufacturer component. The Utility has already contacted retailers based on the Utility's Point of Sale Discount Program eligibility criteria. Manufacturers must not offer the Utility's retailer component to any retailer(s). Instead, manufacturers may offer retailers the Utility's manufacturer's component which is the wholesale cost buy-down incentive, as described above. Retailers participating in the Utility's Point of Sale Discount Program are not eligible to receive additional discounts for the same lighting products through the manufacturer component.

Questions About This Program Should Be Directed To The Applicable Utility Program Manager Below:

Pacific Gas and Electric Company: Susan Fisher - (415) 973-2232 - SLF1@pge.com

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